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Good morning, my name is Hughes Andry and I work for a sales and marketing agency called Sportco Marketing. Sportco is a representative agency that acts as a sub-contractor for manufacturers in the tackle business. Some of the lines we currently represent are Shimano, Power Pro and G Loomis. Sportco provides the tools and tactics for the manufacturers we represent to take their products to market in specific regions throughout the country as well as helping the dealer base to strategize getting that product to the consumer. The region I am specifically responsible are the TALO states – Texas, Arkansas, Louisiana, and Oklahoma but I also have indirect responsibilities throughout the Gulf south as well as upper Midwest and northeast.

I have been in the tackle business since the early 1990's and have worked throughout various market channels within, as retail counter staff for Puglia's Sporting Goods in Metairie, LA to wholesale representative with Big Rock Sports, and have been in a manufacturers representative position for the last 16 years. Since then, I have worked in four of the five Gulf states, selling fishing tackle at every level. The Gulf of Mexico is my home, and my fishery.

What I would like to discuss this morning is the importance of planning for opportunity and how small, and large, fishing tackle businesses capitalize on opportunities by planning. It is basic business 101 that effective planning is what makes the difference between a successful business, and an unsuccessful one.

The majority of the dealers that we service have recognized the importance of developing buying strategies that allow manufacturers the insight as to what they feel as though the demand will be on any one product or series of products. In many cases, manufacturers have partnered with these dealers to ensure that the product assortment, mix and depth that is brought in to accommodate a particular season or fishery, is enough to fulfil the needs of the dealer and eventually the consumer.

Dealers are often balancing a very tight line with their open to buy dollars, trying to ensure they bring in just enough product to cover the demand of a specific fishery or season but not too much. There will almost always be some kind of anomalies in historical patters, such as major weather events — or an oil spill. Dealers rely on historical information to plan their purchases often times as far out as a year ahead of time.

Manufactures that bring tackle in typically have lead times that range from 90-120 days and farther out to land good in the US. Even domestically made products such as G Loomis fishing rods take months to produce product from the time the goods are ordered to the time they land on the dealer's shelves.

Larger tackle dealers and chain stores plan their sets at the beginning of the spring in anticipation of the fishing season, and often have little flexibility with making adjustments during mid season.

This level of planning is designed to be able to capitalize on opportunity. When the opportunity is reduced or lost, so are sales. Fishermen and women will buy fishing tackle, regardless if they actually go fishing, <u>if there is opportunity</u>. With a 9-day recreational red snapper season in 2014, and only a 10-day season in 2015, there has been *no* opportunity for anglers and dealers to capitalize on.

The current federal management plan makes it very difficult to near impossible for tackle dealers to plan and take advantage of opportunity. With season's and bag limits not set until the 11<sup>th</sup> hour, a fishing tackle dealer can only be reactive with anticipating demand. In the years prior to the current federal mismanagement of Gulf Red Snapper, a dealer would expect a 25-30% lift in business leading up to and during the spring to fall seasons. Some dealers are reporting as much as a 40% deficit in sales due to the current management. That is a fairly significant amount to any level of tackle dealer, much less the mom and pop independent retailer.

Fortunately for these dealers they operate in states that have sound, and successful, management plans for the species that they are tasked with managing. Several years ago at a gulf council scoping meeting for amendment 40 in Baton Rouge, Mark Mathews from Superior Bait & Tackle said it's not a lack of fish that's crippling his business, it's the Gulf Council constantly messing up the snapper season. He said that the state seasons have helped get him through slow months. When the state opens its season, he gets a good infusion of business, guys coming in to get reels spooled, by new tackle, line, hooks etc. Anglers are buying snapper tackle along with trout and redfish tackle. Without the state season, Mark said he wouldn't sell hardly any snapper tackle. Texas, Louisiana, Mississippi, Alabama and Florida all have species that they manage independently from one another based upon the health of the fishery and the needs of the community. These regulations are set well in advance of the start of the season and are relatively stable from one year to the next. This creates opportunity that can be planned for and capitalized on.

Federal management of our Gulf fisheries is extremely volatile, and ultimately produces ever-changing regulations and decreasing recreational fishing opportunities, despite healthy and recovering fish stocks. There is seemingly no consideration whatsoever by NOAA Fisheries or the Gulf of Mexico Fishery Management Council about how their unpredictable and last-minute decision-making impacts small recreational fishing dependent businesses all along that coast that are tremendously important to coastal communities. It's time for Congress to step in and set a new course for Gulf red snapper management. The Gulf states are significantly better equipped to manage this public resource in a way that maximizes its benefits – both recreationally and commercially – to the nation. I urge Congress to act now to set Gulf red snapper management on a new course and away from the current system that is failing small businesses throughout the Gulf region.